Amendment in Hindu Succession Act, 1956

2450. SHRI K. RAMA MOHANA RAO: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are thingking of amending the Hindu Succession Act, 1956 to confer equal property rights on women;

(b) if so, whether Government are going to bring before Parliament the above amendment in the current Session of Parliament; and

(c) if not, the reasons for delay?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY): (a) to (c) Law Commission of India in its 174th Report has recommended amendments to the Hindu Succession Act, 1956, to confer equal property right on women. As the subject-matter falls under the Concurrent List of the Seventh Schedule to the Constitution, the comments of the State Government/Union territory Administrations have been invited but all of them have not responded as yet. Hence, the processing of this proposal may take some more time.

Recommendations of Eradi Commission

2451. SHRI P.K. MAHESHWARI: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have received the recommendations of the Eradi Commission on Commercial insolvency and bankruptcy to expedite the process of closure or rehabilitation of the sick companies;

(b) if so, the details of the recommendations made by

the said Commission alongwith the action taken by Government thereon;

(c) whether Government propose to set up a National Tribunal for the rehabilitation and winding up of such companies;

(d) if so, the details of such cases pending in various courts and BIFR, at present, in the country; and

(e) by when the said Tribunal is likely to be set up?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY): (a) Yes, Sir.

(b) The important recommendations made by High Level Committee on Law relating to Insolvency and Winding up of Companies are as under:

— A Natonal Tribunal be set up under Article 323 B of the Constitution. Power and jurisdiction presently exercised by Company Law Board/BIFR/AAIFR[1] High Courts be entrusted to the Tribunal.

— SICA be repealed.

— Principles enunciated under "Orderly and Effective procedures" proposed by International Monetary Fund be adopted.

— UNCITRAL Model Law as approved by United Nations shall apply to cases of Cross Border Insolvency.

— Voluntary winding of companies be encouraged.

— Companies with minimum capital of Rs. 10 lakh only to submit winding up petitions.

— Debt default to creditors exceeding Rs. 1 lakh and erosion of 50% of net worth be the basis of voluntary winding and for revival of companies to the National Tribunal.

— Claims of employees and secured creditors of company are ranked pari-pasu.

— Offices of the Offical liquidators be strengthened and modernized.

— A Fund for revival, rehabilitation of companies and preservation/protection of the assets of companies be created under the control of Central Government.

— Winding up steps be completed within time frame of two years.

— Administrative order procedure prevalent in UK be adopted to expedite winding up.

— Professionals be appointed as Liquidators. Government to prepare a panel of such professionals for their deployment.

— The report of the Eradi Committee is available on the web site of the department www.nic.in/dca.

(c) Yes, Sir.

(d) According to the said report 1062 cases were pending with BIFR and 3195 companies were under winding up on 31.12.1999.

(e) On the basis of the recommendation of the Committee and after taking into consideration the views of the Group of Ministers (GoM), the introduction of the Bill is at an advance stage.

Implementation of recommendations of Justice Eradi Committee

2452. SHRI P.K. MAHESHWARI: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether his Ministry has decided to implement the recommendations of Justice V. Balakrishna Eradi Committee on Law relating to insolvency and winding up of companies and to scrap the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and the Board for Industrial and Finance Reconstruction (BIFR);

(b) if so, the reasons therefor;

(c) whether his Ministry has received any objections from the Ministry of Labour in this regard;

(d) if so, the details thereof; and

(e) the reaction of his Ministry in this matter?

THE MINISTER OF LAW, JUSTICE AND COMPANY